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FILE O.M.2

DD/S 68-5129

14 OCT 1968

MEMORANDUM FOR: Director of Logistics

SUBJECT : Survey of the Printing Services Division by

[REDACTED]

1. I have read with great interest [REDACTED] report of his survey of the Printing Services Division and your comments on the points raised in the course of the survey. First, I would like you to pass along my compliments to [REDACTED] his immediate staff and to all the employees of PSD for the high praise of management, the employees' performance and the printing product as noted [REDACTED] in the survey. It is truly a compliment which [REDACTED] and his associates can accept with considerable pride.

2. I have noted your comments on the survey and your plans in regard to each of the points raised, particularly in the equipment updating and replacement field. In regard to paragraph 12 pertaining to construction of a warehouse for the storage of necessary supplies, I agree that this is not the appropriate time to propose this type of construction in view of budget limitations and the Presidential hold-down on such construction. I would suggest, however, that you draw up some plans and cost estimates for this purpose and let's record them in the budget so that this project can be given early consideration with the removal of the construction ban and the availability of funds.

SIGNED R. L. Bannerman

R. L. Bannerman
Deputy Director
for Support

Att: Undtd Memo for DD/S fr D/L,
same subj, w/atts --DD/S 68-4854
DD/S:RLB:maq (14 Oct 68)

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MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Survey of the Printing Services Division by

[REDACTED]

1. This memorandum is for your information only.

2. This memorandum transmits to the Deputy Director for Support the report of [REDACTED] based on his recent survey of the management and facilities of the Printing Services Division (Attachment 1). There will also be found (Attachment 2) a commentary by the Office of Logistics concerning certain observations contained in [REDACTED] report.

George E. Meloon
Director of Logistics

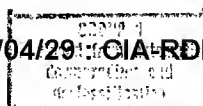
2 Atts:

Att 1 - [REDACTED]
Report

Att 2 - OL Comments

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September 4, 1968

Director of Logistics
Washington, D.C.

Dear Sir:

This is an informal report involving your Printing Services Division plants and dealing with management policy, the physical aspects of the various plants, the production of the plants both as to efficiency and quality, a few comments about personnel, and certain suggestions which are obvious and which would improve production.

STAT The management policy seems to me to be excellent. In [] you have a fine administrative officer. His training has not been in printing, but he has grasped most readily the essentials of the graphic arts. In formulating a policy for the management of the plants, he has combined a knowledge of the requirements of the customer within the practical scope of what can be done with printing machinery. He has an organization, beginning with his deputy, which is highly skilled in the preparation and production of printed and photographic material, but is still able to think not alone in terms of printing but in the rigid requirements of the customer. It is easy for the top man to formulate a policy, but far more difficult to have that policy implemented by his organization and this, in my opinion, [] has done.

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I have been through hundreds of printing plants in this country, and have observed the reactions of craftsmen, of foremen, of the apprentices to plant visits and inspections. In some, there is evidence of hostility, in others indifference, and in others an air of friendliness. The morale of the Printing Services Division plants seemed to me to be very high, and the personnel seemed pleased with the work they were doing, and showed an interested and confident attitude in talking to their supervisors about their work and their problems. This gives a high mark to the management policy in respect to labor relations and can't help but result in improved production.

The machinery needed to fulfill the customer's requirements is certainly sufficient at the present time, but each month and each year there are better machines, and the present plants tend toward obsolescence. Management is well aware

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of the explosive trends in the industry toward the automation and computerization of many phases of printing. At the present time, forward steps are being taken in the composing room and in the offset photography department to switch from hot metal to cold composition. Certain problems will be solved with the addition of another Monophoto, with the "in plant" control of the conversion of paper tape to computer magnetic tape, the conversion of selectric typewriter tape to computer magnetic tape, and with the addition of the 713/20 Photon, and eventually the 713/70 Photon.

The composing room offers the greatest opportunity to advance technologically, and yet there is still a hesitancy to cut the traditional cord of the hot metal typesetting machines. They have produced well over the years, they are reliable, your personnel are experienced in their use, and there is a reluctance found everywhere in the graphic arts industry to convert to cold composition by 100%. Now you have five line casting hot metal machines, and the goal of management is to cut down to one or two, and perhaps eventually none. At the present time, you are running two systems, one for hot metal and one for cold. When the customer is able to deliver manuscript in acceptable form for cold composition, it will certainly be possible to regard the linotype as stand-by equipment. Parenthetically, the head of your composing room is an old-time, experienced hot-metal man who has made a remarkable transition to the goal of computerized composition.

The Epic System is working remarkably well and credit should be given to the deputy, the foremen, and to the Systems Staff for their perseverance and their determination to promote the system. The Systems Staff have done a fine job, and an imaginative one in developing projects such as hyphen-less typography.

The efficient pressroom in the main plant is being improved by the new Mehle offset presses and otherwise is in need of no special additions except those caused by the wear and tear of constant production. The bindery production will be helped by three more pockets on the Macey signature collator, but otherwise the equipment seems to be sufficient for its tasks. There is a problem, probably bearing

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primarily with personnel, in the distribution center which comes under bindery supervision, and management is well aware of it, and is taking corrective measures.

There is, undoubtedly, a need for a new Monotype or Robertson overhead camera of a 30x40 size to replace the present Klimpse. Also, it seems obvious that an immediate requirement would be a new 35mm Microfilm processor to replace the present one which requires constant repairs, and also to insure stand-by equipment for the customer's extremely important jobs.

In discussing specifics with the individual foremen, both in the main plant and the special plants, inquiry was made as to whether personnel could be eliminated by the purchase of any sort of new equipment. It was generally stated, and it is my belief, that considering the present workload, no personnel could be eliminated; but that certain new equipment, some of which is on order, will increase productive capacity. My other question was the availability of stand-by equipment in the event of normal power failures and up to real disasters, and I am convinced that management has an excellent stand-by program.

The training program was discussed and it is impressive and should create future craftsmen, foremen, and executives for the Division.

Probably the most important educational job to be done, however, is with the customer. He would receive better service, finer quality and a greater diversity of product if he furnished his manuscripts in the fashion best suited to the mechanical requirements of the plant. This should create no great inconvenience for the customer and would react to his advantage in every respect. I cannot stress too highly my feeling that the highest possible authority direct coordination between the source of the manuscript and its production in the plant itself.

There are some obvious improvements which could be made, and none of these are original with me. Management recognizes them.

1. The air conditioning system in the main

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plant is far from satisfactory from a humidifying viewpoint. It is not easy to control, it is inadequate and causes production delays and a subsequent loss of quality.

2. The practice of storing paper some 20 miles away in a non-air conditioned warehouse makes for difficulty in scheduling and in quality control. Ideally, the warehouse should be adjacent to the press room and subject to the same humidity. This would increase production and insure better quality.

The program established for replacement of machinery seems to be inadequate in its aggregate amount of yearly replacement. Your machinery is run over a greater number of hours per month than that in most commercial plants, and is, therefore, subject to a faster actual depreciation. It would be my opinion that for every \$1,000,000 of plant equipment, \$200,000 be allocated yearly for replacement, and I believe that your present replacement program is something less than that.

There are several general observations which might be useful. My background has been allied with our national printing organization, Printing Industries of America. We have always contended that private industry could handle almost any governmental agency printing. However, in the case of Printing Services Division, I state, unequivocally, my opinion that private industry could not do as good a job, or produce the work as efficiently or even at your probable cost. You have a fine, well-rounded operation and are producing a quality on your fine printing which would be the envy of many a firm in the commercial industry. And, of course, the nature of the customer's work would require a mammoth job of security clearance if the commercial industry was to be involved.

Also, although it may be a gratuitous observation, I feel that in efficiency and quality, the product of the Printing Services Division far exceeds that of the Government Printing Office.

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I would like to express my appreciation of the many courtesies extended to me by [redacted] and, in fact, everyone with whom I had any contact.

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Very truly yours,

[redacted]

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WHW:mr

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OFFICE OF LOGISTICS COMMENTS ON [REDACTED]
SURVEY OF THE PRINTING SERVICES DIVISION

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1. The [REDACTED] Report" reflects a very favorable situation in regard to internal management, physical plant, and quality of production in the Printing Services Division. While the report really only confirms the findings of previous inspections and reviews conducted within the Agency, I find many of [REDACTED] comments particularly gratifying, coming as they do from an individual with such broad experience and familiarity with the commercial printing industry. We should find this document quite useful in responding to future questions regarding Agency printing which are raised through budgetary or other channels.

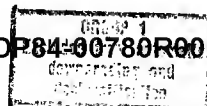
2. The following supplementary comments may be useful to you in evaluating some of the conclusions stated in the report. (Paragraphs are numbered for ease of reference):

a. Paragraphs 4 and 13. These paragraphs deal with the need to plan and provide funds for the maintenance of an efficient and modern printing facility. As reflected in paragraph 13 of [REDACTED] report, this is not an inexpensive undertaking. In the past, we have budgeted approximately \$200,000 per year for:

- (1) The replacement of obsolete or wornout equipment.
- (2) The acquisition of new items required for the support of particular operations.
- (3) The modernization of our printing processes.

This figure represents about eight percent of our nonexpendable printing equipment inventory. [REDACTED] suggests that a figure of 20 percent is more appropriate. Since the last budget exercise, the Printing Services Division has established a record of each item of nonexpendable equipment which reflects the date of acquisition and the estimated life expectancy. This record will provide the basis for a planned replacement program for all equipment in our printing facility. In regard to the specific items mentioned in paragraph 4 of the report, an additional monophoto caster was placed on order with yearend funds last June. Regarding in-plant control of the conversion of paper or Selectric typewriter tape to computer magnetic tape, I am informed that the Office of Computer Services is nearing completion in the development of recommendations, requested by us, for the input-output system required in the Printing Services Division for our Electronic Printing of Intelligence Composition (EPIC) program. This system will include items required for the conversion of tapes, terminal access to Office of Computer Services computers, and other peripheral equipment needed for the most effective utilization of the electronic photocomposition equipment now in use and on order.

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b. Paragraph 5. The hesitancy to convert from traditional hot metal type casting to the more modern cold composition methods mentioned is believed more pronounced in private industry than in our facility but certainly is not nonexistent here. Considering the necessity to continue effective production through our transitional period and the leadtime required for the formulation of computer programs and the acquisition of equipment, I feel that we are proceeding in the conversion of our printing operations to modern typesetting methods with appropriate speed. The Chief, Printing Services Division, estimates that three of our five Linotype machines and our metal monocasting machines can be removed within two years. The remaining metal operations probably can be discontinued within five years, although a minimum capability will probably be maintained to meet any specialized operational requirements.

c. Paragraph 7. The personnel problem in the bindery distribution center mentioned has to do with the constant rotation of personnel through this operation. For the most part, untrained personnel entering the Printing Services Division are first assigned in the distribution center inasmuch as it contains the lowest paid skills in the plant. As opportunities for advancement appear in other elements of the Printing Services Division, personnel are assigned from the distribution center to operative or apprentice type jobs. Efforts of the Printing Services Division to raise the GS-06 grade for the chief of this distribution center in an effort to provide for greater continuity have been unsuccessful. Recognizing this as a problem area, the Printing Services Division is developing detailed procedures for all processes and operations of the distribution center which will be included in an operating handbook for personnel assigned there. This, plus continued close supervision by the Chief, Bindery Branch, should provide the most effective continuity possible under the present situation. With regard to the addition of three more pockets on our Macey signature collator, this machine has been in operation for more than eight years and is scheduled for replacement, probably in fiscal year 1970. Consequently, we feel that it would be unwise to spend additional money on this machine at this time.

d. Paragraph 8. A Robertson overhead camera is now programmed for acquisition in fiscal year 1973 to replace our 30" x 40" Klimsch camera. We have recently replaced the lenses and mirrors on this camera. The 35mm microfilm processor was programmed for replacement in fiscal year 1969; however, it now has been reprogrammed for fiscal year 1970 due to the lack of funds for this purpose this fiscal year.

e. Paragraph 11. The customer education and coordination work mentioned refers primarily to the submission of properly prepared source tape for use in our EPIC program. Inasmuch as we are in a developmental and conversion phase of this program, we had anticipated that a great deal of coordination and collaboration would be necessary between producers of manuscript and the printing facility in the resolution of problem areas. As far as the Printing Services Division is concerned, full cooperation is being received. The Assistant Deputy Director for Intelligence takes a personal interest in this program and, at this juncture, we feel that he constitutes sufficient authority to assure the collaboration on the part of the components of the

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Directorate of Intelligence necessary to the success of the program. Actually, we are not encountering unanticipated and untenable difficulties in this area, and I suggest that we continue to rely upon collaboration at the working level as long as satisfactory progress is realized.

f. Paragraph 12. The humidification of the press rooms in all three of our printing plants leaves much to be desired. Particularly during the winter months, it is impossible to maintain humidity-temperature conditions which permit most efficient press operations. This is a recognized deficiency in the new Printing Services Building, and the General Services Administration has a project underway to design and install a new system. We certainly concur in the stated need for temperature-humidity controlled storage space as a part of the new Printing Services Building and will include funds for the modification of the building to provide for such space in our budget at the earliest opportunity.

g. Paragraph 12, Second Recommendation. Looked at only in light of the needs of the Printing Services Division [] recommendation to construct a warehouse for necessary supplies adjacent to the press room is a valid one. A larger need for warehousing, however, exists at the Langley compound. Such a facility should serve not only the needs of the Printing Services Division, but also of our Logistics Services Division. In the belief that the time is not now propitious to seek budgetary provision to erect such a structure, we have held off positive action to pursue this issue. 25X1

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